

REFERENCE TITLE: DFI; examinations; military lending act

State of Arizona  
House of Representatives  
Fifty-fourth Legislature  
First Regular Session  
2019

## **HB 2459**

Introduced by  
Representatives Butler: Andrade

AN ACT

AMENDING SECTION 6-122, ARIZONA REVISED STATUTES; RELATING TO THE  
DEPARTMENT OF FINANCIAL INSTITUTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 6-122, Arizona Revised Statutes, is amended to  
3 read:

4 6-122. Superintendent; authority; duties

5 A. The superintendent has the authority and responsibility for the  
6 discharge of all duties imposed by law on the department.

7 B. The superintendent shall:

8 1. Examine or cause to be examined each financial institution  
9 annually, except financial institution holding companies, banks, savings  
10 and loan associations, credit unions and consumer lenders, and more  
11 frequently if the superintendent considers it necessary.

12 2. Examine or cause to be examined each bank, credit union and  
13 savings and loan association at the superintendent's discretion but at  
14 least once in every twenty-four month period.

15 3. **EXCEPT AS PROVIDED IN PARAGRAPH 8 OF THIS SUBSECTION**, examine or  
16 cause to be examined the business and affairs of any enterprise and any  
17 consumer lender for the purpose of administering and enforcing this title  
18 at the superintendent's discretion.

19 4. Examine or cause to be examined financial institution holding  
20 companies as frequently as the superintendent considers necessary to  
21 administer and enforce this title.

22 5. Notwithstanding paragraph 3 of this subsection, examine or cause  
23 to be examined the accounts held in trust by each escrow agent at least  
24 once in every two-year period pursuant to section 20-1593 and examine or  
25 cause to be examined each escrow agent at least once in every four-year  
26 period or more frequently if the superintendent considers it necessary.

27 6. Publish a consumer information brochure that includes:

28 (a) The finance charges permitted by this state.

29 (b) The types of insurance that may be offered but that are not  
30 required by law to be purchased with the granting of a loan.

31 (c) Interest rate limitations on all lenders including amounts that  
32 may not be charged to borrowers.

33 (d) Consumer rights and means of recourse from unfair  
34 practitioners.

35 7. Make it a priority to encourage the growth of state-chartered  
36 financial institutions in this state and by February 1 of each calendar  
37 year notify the governor, the president of the senate and the speaker of  
38 the house of representatives if the total number of state-chartered banks  
39 or state-chartered credit unions decreases during the prior calendar year.

40 **8. EXAMINE OR CAUSE TO BE EXAMINED ENTERPRISES, CONSUMER LENDERS**  
41 **AND PREMIUM FINANCE COMPANIES AT THE SUPERINTENDENT'S DISCRETION TO ENSURE**  
42 **COMPLIANCE WITH 10 UNITED STATES CODE SECTION 987.**

43 C. Notwithstanding subsection B, paragraph 5 of this section, an  
44 escrow agent shall be examined within twelve months when an escrow agent's  
45 license is transferred or assigned pursuant to section 6-813 or when  
46 control of the license is otherwise acquired.